



Public Utility District No. 1 of Klickitat County

80 Years of Service * 1938-2018

GENERAL MANAGER'S REPORT TO THE BOARD For the June 08, 2021 Meeting

AGENDA ITEMS:

- A. **Prequalification of Professional Services** - Engineering is requesting prequalification approval of FTS Forest Technology Systems Ltd. They have provided all of the required information to qualify approval and addition to the professional services roster.

- B. **Water/Wastewater Rates review update** - attached to the agenda item cover sheet is a summary with the recommended rate adjustments, as well as a summary showing past and "forecast" rates adjustments. Future years are purely forecast and are not being acted on at this time.

Upon further review since last meeting, I changed the recommendations for Roosevelt water from 1% to 0%, for Klickitat Wastewater from 0% to 3% and for Cliffs water system from 3% to 0%.

NON-AGENDA ITEMS:

1. Policy 9 - Financial Policy Workshop - as this is a light meeting, Mike DeMott will be reviewing follow-up thoughts on the Financial Policy as part of his report rather than at a separate work shop.

2. Fire Risk Mitigation Efforts - Mark Garner will be reviewing the structure and some key decision points as we develop our fire mitigation plan. We will also discuss actions we are already taking for this year's fire season. These actions are informed by the work completed on the mitigation plan to date, but are being implemented separately so as to not drive publishing a plan we are not comfortable with. This plan is NOT required in Washington State, but given the level of risk of fires, we are developing the plan to guide us in our efforts.

3. Bonneville Power Administration - BPA is still forecasting a 2.1% average decrease in rates. Their draft Record of Decision (ROD) is expected June 25, final ROD in July and rates are to be implemented October 1st.

4. Pumped Storage - Brian Skeahan, Kevin and I talked with representatives from Copenhagen Investment Partners (CIP) and Erik Steimle of Rye Development regarding the provision of 20 MWs of commercial service from the facility. It was a good discussion and they understand the situation. We made it clear provision of this service, or potentially some other equivalent, is a requirement for water service. I am sure there will be more discussions and there will be pushback, but we understand the Board's position on this and we support it as well.
5. Glenwood Water System - initial contacts have been made with the Tribe at the staff level to begin to explore the process. I will keep you informed as we go along.
6. WPUDA Meetings July 15 / 16 - WPUDA is planning its first in person meeting since COVID and it is being held in Skamania. I wanted you to inform you since the meeting will be held so close to home for us.